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CONGRESSIONAL RECORD — HOUSE

May 18, 1981

The purpose of this voluntary international code is to offer protection to the most helpless of the world's population—the children, the newborn.

In the past I have been proud when the United States has stood alone against oppression and stood up for human rights. This time the United States will stand alone but in tragedy and in sadness as the only Nation, while 156 nations vote to support this code. A vote for the code would be a symbol of deep U.S. concern for suffering children throughout the world.

Our colleague, the gentleman from Iowa (Mr. HARKIN) and I have joined in a letter to the President urging him to reconsider what we consider to be a very unfortunate, tragic decision. I urge my colleagues to join us in signing this letter.

HOUSE OF REPRESENTATIVES,
Washington, D.C., May 18, 1981.

President RONALD REAGAN,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: On Friday, May 15, the State Department announced that the United States intends to vote against the World Health Organization's (WHO) and UNICEF's International Code of Marketing of Breast Milk Substitutes. The vote on the Code is expected to occur tomorrow, May 19.

Speaking on behalf of 75 Members of Congress who have co-sponsored a House Resolution in support of the Code, and on behalf of millions of dying infants, we ask you to involve yourself personally in the decision-making process on the U.S. vote, and to reverse the decision made by your Administration.

The WHO-UNICEF Code deserves your support for one basic reason—it exemplifies the concern of the American people for improving the health and well-being of infants throughout the world. Children raised under conditions of poverty and poor sanitation are, of course, particularly vulnerable to the disease and high rates of malnutrition associated with improper bottle feeding.

According to the Director-General of WHO, evidence from the Third World indicates that infants breast fed for less than six months, or not at all, have a mortality rate five to ten times higher in the second six months of life than those breast fed for six months or more.

The Code also deserves your support because it offers a chance to enhance U.S. relations with developing countries—without spending an extra dime of the taxpayers' money. Many of our European allies are also strongly committed to the Code. Indeed, at present, only a few people in the United States seem to be in doubt as to the importance of the Code.

Mr. President, the stakes are high. The lives of millions of babies may depend on your decision. Please take the time to review—and overrule—the decision your Administration has made.

We would be happy to discuss this matter with you personally, and we will be available to meet with you this afternoon or at your convenience.

Respectfully,

Tom Harkin, James M. Jeffords, James Oberstar, Ron Wyden, Edward J. Markey, David Bonior, Benjamin A. Gilman, Paul Simon, Lawrence J. DeNardis, Bruce F. Vento, Members of Congress.

COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON WAYS AND MEANS

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Ways and Means:

COMMITTEE ON WAYS AND MEANS,
Washington, D.C., May 11, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
H-205 Capitol, Washington, D.C.

DEAR MR. SPEAKER: This is to advise you that, pursuant to sec. 8002 of the Internal Revenue Code, the following members of the Committee on Ways and Means have been designated to serve on the Joint Committee on Taxation during the 97th Congress:

Dan Rostenkowski (D., Ill.),
Sam M. Gibbons (D., Fla.),
J. J. Pickle (D., Tex.),
Barber B. Conable, Jr. (R., N.Y.),
John J. Duncan (R., Tenn.).

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

U.S. HOUSE OF REPRESENTATIVES,
Washington, D.C., May 15, 1981.

Hon. THOMAS P. O'NEILL, Jr.,
The Speaker, House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the permission granted in the Rules of the House of Representatives, I have the honor to transmit a sealed envelope from The White House, received in the Clerk's Office at 10:30 a.m. on Friday, May 15, 1981 and said to contain a message from the President wherein he transmits the second annual report under the Powerplant and Industrial Fuel Use Act of 1978.

With kind regards, I am,
Sincerely,

EDMUND L. HENSHAW, Jr.,
Clerk, House of Representatives.

SECOND ANNUAL REPORT WITH RESPECT TO CONSERVATION OF FUEL IN FEDERAL FACILITIES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce:

To the Congress of the United States:

Pursuant to the requirements of section 403(c) of the Powerplant and Industrial Fuel Use Act of 1978, I hereby transmit the second annual report describing actions of each Federal agency with respect to the conservation and use of petroleum and natural gas in Federal facilities. The period covered by the report precedes my term of office.

RONALD REAGAN.
THE WHITE HOUSE, May 15, 1981.

MAKING IN ORDER ON MAY 19, 1981, CONSIDERATION OF CONFERENCE REPORT ON HOUSE CONCURRENT RESOLUTION 115, FIRST CONCURRENT RESOLUTION ON THE BUDGET, FISCAL YEAR 1982, AND ANY AMENDMENTS IN DISAGREEMENT THERETO

Mr. JONES of Oklahoma. Mr. Speaker, I ask unanimous consent that it may be in order on Tuesday, May 19, 1981, or any day thereafter, to consider the conference report on House Concurrent Resolution 115, first concurrent resolution on the budget for fiscal year 1982, and any amendments in disagreement thereto.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule 15.

Such rollcall votes, if postponed, will be taken on Tuesday, May 19, immediately after the record votes on suspension motions which might be ordered on that day.

FEDERAL MANAGER'S ACCOUNTABILITY ACT OF 1981

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1526) to amend the Accounting and Auditing Act of 1950 to require ongoing evaluations and reports on the adequacy of the systems of internal accounting and administrative control of each executive agency, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1526

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. This Act may be cited as the "Federal Managers' Accountability Act of 1981".

Sec. 2. Section 113 of the Accounting and Auditing Act of 1950 (31 U.S.C. 66a) is amended by adding at the end thereof the following new subsection:

"(d)(1)(A) To ensure compliance with the requirements of subsection (a)(3) of this section, internal accounting and administrative controls of each executive agency shall be established in accordance with standards prescribed by the Comptroller General, and shall provide assurances that—

"(i) all obligations and costs are in compliance with applicable law;

"(ii) all funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and

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"(iii) all revenues and expenditures applicable to agency operations are properly recorded and accounted for to permit the preparation of accounts and reliable financial and statistical reports and to maintain accountability over the assets.

"(B) The standards prescribed by the Comptroller General under this paragraph shall include standards to ensure the prompt resolution of all audit findings.

"(2) By December 31, 1981, the Director of the Office of Management and Budget, in consultation with the Comptroller General, shall establish guidelines for the evaluation by agencies of their systems of internal accounting and administrative control to determine such systems' compliance with the requirements of paragraph (1) of this subsection. The Director, in consultation with the Comptroller General, may modify such guidelines from time to time as deemed necessary.

"(3) By December 31, 1982, and by December 31 of each succeeding year, the head of each executive agency shall, on the basis of an evaluation conducted in accordance with guidelines prescribed under paragraph (2) of this subsection, prepare a statement—

"(A) that the agency's systems of internal accounting and administrative control fully comply with the requirements of paragraph (1); or

"(B) that such systems do not fully comply with such requirements.

"(4) In the event that the head of an agency prepares a statement described in paragraph (3)(B), the head of such agency shall include with such statement a report in which any material weaknesses in the agency's systems of internal accounting and administrative control are identified and the plans and schedule for correcting any such weakness are described in detail.

"(5) The statements and reports required by this subsection shall be signed by the head of each executive agency and transmitted to the President and the Congress. Such statements and reports shall also be made available to the public, except that, in the case of any such statement or report containing information which is—

"(A) specifically prohibited from disclosure by any provision of law; or

"(B) specifically required by Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs,

such information shall be deleted prior to the report or statement being made available to the public.

"(6)(A) The Inspector General of an executive agency or, if no Inspector General exists for an executive agency, the head of the internal audit staff, shall receive and investigate any allegation that an employee of the agency provided false or misleading information in connection with the evaluation of the agency's systems of internal accounting and administrative control or in connection with the preparation of the annual statement or report on the systems of internal accounting and administrative control.

"(B) If, in connection with any investigation under subparagraph (A), the Inspector General or the head of the internal audit staff, as appropriate, determines that there is reasonable cause to believe that false or misleading information was provided, he shall report that determination to the head of the agency.

"(C) The head of the agency shall review any matter referred to him under subparagraph (B) and shall take action under chapter 75 of title 5, United States Code, or such other disciplinary or corrective action as he deems necessary."

Sec. 3. Section 201 of the Budget and Accounting Act, 1921 (31 U.S.C. 11), is amended

by adding at the end thereof the following new subsection:

"(k) The President shall include in the supporting detail accompanying each Budget submitted on or after January 1, 1982, a statement with respect to each department and establishment of—

"(1) the original amount of appropriations requested by the Office of the Inspector General of such department or establishment, if any;

"(2) the changes made in such request by the head of such department or establishment prior to the submission of such request to the Director of the Office of Management and Budget;

"(3) any further changes made in such request prior to the submission of such Budget to the Congress."

Sec. 4. Section 215 of the Budget and Accounting Act, 1921 (31 U.S.C. 23), is amended by adding at the end thereof the following new sentences: "The head of each department and establishment shall include with any such requests for appropriations a report on the status and progress made in having its accounting system approved by the Comptroller General pursuant to section 112 of the Accounting and Auditing Act of 1950. Such reports shall be included in the supporting detail accompanying each Budget submitted by the President on or after January 1, 1982, under section 201 of the Budget and Accounting Act, 1921."

The SPEAKER pro tempore. Is a second demanded?

Mr. HORTON. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas (Mr. Brooks) will be recognized for 20 minutes, and the gentleman from New York (Mr. Horton) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas (Mr. Brooks).

Mr. BROOKS. Mr. Speaker, I yield myself such time as I may consume.

(Mr. BROOKS asked and was given permission to revise and extend his remarks.)

Mr. BROOKS. Mr. Speaker, H.R. 1526 is a contribution to the effort now being made in all quarters to reduce fraud, waste, and abuse in Federal programs and services. Allegations have been made, supported by substantial evidence in General Accounting Office studies, that such fraud and waste are widespread. The time for hand wringing has stopped, however, and the time to do something concrete has arrived. That is the purpose of this bill.

We can attack fraud and waste after post mortem discovery, but the horse is usually out of the barn by then. Our approach is to tighten internal controls so that the appropriate checks can be in place and operative before the fraud or waste occurs. This bill will require ongoing evaluations of the adequacy of systems for internal and accounting control in each executive department and agency. These evaluations, under guidelines to be established by the Office of Management and Budget, are to be conducted to de-

termine if the agency systems are in compliance with standards to be prescribed by the Comptroller General. An annual statement by the agency head will certify the effectiveness of those controls or he will submit a schedule for strengthening any weaknesses that may exist.

The former Comptroller General, Elmer B. Staats, and the present Acting Comptroller both strongly support this legislation as a major step in achieving sound financial management. They are the experts. They know what is needed.

Millions, possibly billions, of dollars can be saved if our internal controls are working properly and the beauty of it all is that, according to the Congressional Budget Office, the initial effort to establish the standards and guidelines will be an added cost of only \$125,000. This cost-benefit ratio will set a record of which we all can be proud.

I wish to make clear that the provisions of the bill directing the head of an agency to take disciplinary or corrective action as he deems necessary against an employee whom the Inspector General determines as having provided false or misleading information is not intended to enlarge the existing disciplinary powers of agency heads, take away any statutory rights of employees, or affect the Office of Personnel Management's authority to issue regulations as authorized by law.

Mr. HORTON. Mr. Speaker, I yield myself such time as I may consume.

(Mr. HORTON asked and was given permission to revise and extend his remarks.)

Mr. HORTON. Mr. Speaker, I support H.R. 1526, the Federal Managers Accountability Act, which seeks to amend the Accounting and Auditing Act of 1950 by requiring ongoing evaluations and reports on the systems of internal control used by each executive agency. It is a good product, one that reflects the continuing interest of the Government Operations Committee in financial accountability, effective audit followup, and other basic ingredients of sound financial management and good government.

The bill has active support among accountants, auditors, professional associations, and the General Accounting Office, each of whom testified in our hearing that the absence of strong internal systems of control frequently translates into waste, fraud, and mismanagement of Federal programs and activities. By having in place a system to evaluate and report on the effectiveness of internal control systems, top agency management officials will be better able to spot weaknesses in the system and to devise and schedule plans to strengthen any weaknesses.

H.R. 1526 would require the establishment of internal accounting and administrative controls at each executive agency in accordance with standards prescribed by the Comptroller

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General. These controls would provide assurances that all obligations and costs are in compliance with the law; that all funds, property, and other assets are protected against waste and mismanagement; and that all transactions are properly recorded. Standards would also be prescribed by the Comptroller General to insure the prompt resolution of all audit findings.

Once the standards have been prescribed by the Comptroller General, the Office of Management and Budget would be required to establish guidelines for the evaluation by agencies of their internal control systems. By December 31 of each year the head of each executive agency would be required to prepare a statement certifying that the agency's control system either is in compliance with the standards or is not in compliance. If the system is not in compliance, weaknesses must be identified and a plan and schedule for correcting those weaknesses must be described in detail. The statements would be signed and transmitted to the President and to the Congress.

There are safeguards in the bill to protect against submission of false or misleading information in connection with the evaluation of an agency's control system. There are also safeguards to protect against public disclosure of sensitive or classified information.

Finally, the bill would require additional efforts on the part of the President and of the agency heads in preparation of annual budget documents. The President would be required to submit with annual budget information a simple statement on both the original amount of appropriations requested by the Inspector General of each agency, and any changes OMB made in those requests. The head of each agency would be required to submit with any appropriations request a report on the status and progress that agency has made in having its accounting system approved by the Comptroller General as required by the Accounting and Auditing Act of 1950.

I should point out, Mr. Speaker, that we were very careful in giving to the Comptroller General the authority to prescribe standards on which internal accounting and administrative controls will be established and to OMB the authority to establish the guidelines for agencies to use in their evaluations of internal control systems. We agreed at the subcommittee and at the full committee that such a balance is necessary and is in keeping with the missions of both GAO and OMB.

As far as the reporting process is concerned, I pointed out at the hearing that I would be reluctant to require yet another congressionally mandated report unless that report results in either a long-term increase in administrative efficiency or a long-term decline of Federal paperwork. I am satisfied that H.R. 1526 will pro-

vide the bureaucracy with the kind of impetus that could meet either or both of those criteria.

For those and other reasons, I support H.R. 1526, Mr. Speaker, and urge its prompt approval here today.

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Mr. ROUSSELOT. Mr. Speaker, will the gentleman yield?

Mr. HORTON. I yield to the gentleman from California.

Mr. ROUSSELOT. I appreciate my colleague yielding.

Mr. Speaker, I note in the report, or at least in some of the material we received on this bill, that the administration supports the objectives of this bill but opposes its enactment because they felt that OMB, not the General Accounting Office, should issue standards governing executive agencies and the internal financial control systems and audit followup, and I wondered if either of my colleagues would care to comment on that?

Mr. HORTON. I would be very happy to comment. I am glad the gentleman brought that subject up.

I spoke just this morning with Mr. Harper, the deputy of OMB, and the OMB did testify on the bill during the course of the hearings.

Basically, they are in accord with the purpose of the bill. But there are two things that they were somewhat concerned about. One was the subject that the gentleman brought up, and that was who would establish standards.

The bill originally required that the General Accounting Office establish and implement standards. And the compromise we worked out was that the General Accounting Office would set the standards, which appropriately should be done by the General Accounting Office, and that the implementation would be up to the OMB.

Now, admittedly, that is not as far as the OMB would like to go, but I think that is a good compromise on that subject.

The other point that they were concerned about is that, in accordance with the bill, the amount that is requested by the Inspector General has to be sent through—the information has to be sent through to the Secretary and then to the OMB and then made public, sent back to the Congress. They were concerned about that because they do not do it in any other situation.

I explained to Mr. Harper and to the OMB that this is, if you will, a fact of life. We do need to know what the requests are of the Inspectors General, insofar as their requests for budget, so that we know that they are actually operating as independently as possible. I am sure that the Senate will have different language, and perhaps we can work out sort of a compromise on that when we get to that phase of it. But from my standpoint I think that it is important for the Congress to know the amount that has been re-

quested by the Inspectors General so that we will have some idea as to how independent the Inspectors General are in the work that they are engaged in, which, as the gentleman knows, is to uncover and oversight fraud and abuse and inefficiency in the various agencies.

Mr. ROUSSELOT. I appreciate my colleague outlining what those concerns were on the part of the administration, especially OMB.

I think, on the second point the gentleman made, there was a concern that initial budget requests back and forth might become part of this request, on the part of an Inspector General in any given agency. In other words, just preliminary requests.

Is it possible that that could be modified, or has the gentleman contemplated doing so, on the basis that it is not absolutely essential for us to know every single detail of every single memorandum between an Inspector General and the OMB and/or the President? Or does the gentleman wish to comment on that?

Mr. HORTON. Well, the bill, on page 5, section 3, subdivision (k) and following, says this:

"(k) The President shall include in the supporting detail accompanying each Budget submitted on or after January 1, 1982, a statement with respect to each department and establishment of—

"(1) the original amount of appropriations requested by the Office of the Inspector General of such department or establishment, if any;

"(2) the changes made in such request by the head of such department or establishment prior to the submission of such request to the Director of the Office of Management and Budget;"

So I think it is pretty clear from the language of the bill that the information we need to have is the amount of the original request of appropriations and then any changes that are made by the Secretary.

Mr. ROUSSELOT. Well, I guess the concern that I would have is that this mandate in the bill does not force the Inspector General in any agency to submit in detail all requests relating to budget, but it is his primary request for each budget, period; is that it?

Mr. HORTON. That is it.

Mr. ROUSSELOT. I thank the gentleman for the clarification.

Mr. HORTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. Hyde), one of the original sponsors of this concept in this bill.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. I thank the gentleman for yielding.

Mr. Speaker, I am pleased to see a piece of legislation come before this body that cost so little but will save so much. I wholeheartedly support the Federal Managers Accountability Act of 1981, a bill that requires continuing evaluations and reports to Congress on

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the internal control systems of Federal agencies and departments. H.R. 1526 provides the means of minimizing fraud, errors, abuse, and waste of Government funds.

Billions of Federal dollars are lost annually through fraud, waste, and abuse. As we seek ways to reduce the Federal budget, we also express concern about cutting programs and services. Perhaps some of those programs could be saved if we narrow the margin for abuses.

Legislation already enacted falls short of meeting the demand to control the loss of Federal funds. The Budget and Accounting Procedures Act of 1950 requires management of all major Federal departments to implement and maintain effective systems of internal control in Government. In 1978, Congress passed the Inspector General legislation. Its purpose is to increase emphasis on the prevention and detection of fraud, waste, and abuse in Government. In addition to this legislation, the Office of Management and Budget in 1979 established its financial priorities program to improve internal controls within agencies and departments.

It is plain to see that prior legislation has not met the need. The Federal agencies are already required to maintain internal control systems that safeguard their financial resources, but the means of enforcing the requirement is lacking.

The bill before us supplements existing legislation by providing the key to successfully narrowing the margin for abuses. This legislation will bring pressure to bear upon those responsible for the accountability of the tax dollars appropriated to their agency or department by this body. We can no longer afford to accept the business as usual attitude whereby requirements of the job are ignored.

The Federal Managers Accountability Act requires that identified system weaknesses receive congressional and public disclosure until such time as effective action is taken to correct them. This legislation will require utilizing effective procedures within agencies to assure timely and continuous monitoring of the effectiveness of their internal control systems.

Having introduced similar legislation, and as a cosponsor of this bill, I am keenly aware of the need to affix responsibility in each agency over the spending of our constituents tax dollars and install a degree of professional administration that has been sadly lacking.

I am hopeful the House will pass this measure. By doing so, we will not only demonstrate our commitment to tightening the reins on Government spending, but also restore public confidence in the agencies of Government that they are honestly and effectively serving the people.

Mr. HORTON. Mr. Speaker, I want to congratulate the gentleman and thank him for his contribution. The

gentleman testified before the subcommittee and made a very valuable contribution to the life of this bill and, hopefully, this bill will be passed unanimously in the House.

Mr. Speaker, I urge its approval.

Mr. DAUB. Mr. Speaker, I rise in strong support for the Federal Managers Accountability Act. As a member of the Government Operations committee which reported out this legislation, I want to commend the chairman of that Committee, Mr. Brooks, for his effective action on this legislation, and my leader, the ranking Member Mr. Horton, for his study and leadership.

Mr. Speaker, just a few numbers are needed to justify this measure.

The first number is \$4.3 billion. That is the total amount of unresolved audit findings which 34 agencies could have but neglected to pursue according to the GAO in 1978.

The second number is \$24.8 billion. That represents the 1981 GAO totals for unresolved audit findings by the same 34 agencies which were delinquent in 1978. While some of this money would not, if collected, result in Federal budgetary savings, a large chunk of it would in fact result in a taxpayer savings.

I want everyone to bear in mind that OMB adopted guidelines for audit resolution shortly after the 1978 GAO disclosure. If allowed, these guidelines would have, for the most part, corrected this problem.

But what happened with these guidelines? Absolutely nothing. Those guidelines were largely ignored.

This measure before us today would establish a system of internal accounting and administrative control in agencies to prevent future abuses similar to those I have just described.

The last number we should note is an address: 9th and Constitution Avenue. That is the address of the Department of Justice where the names of agency officials should be sent and reviewed if this legislation is ignored when passed.

Mr. Speaker, I urge my colleagues to vote for this measure.

Mr. MICHEL. Mr. Speaker, I rise in support of this bill, because it provides some additional management tools to get at the problem of waste, fraud, and abuse.

As one who has been concerned about this problem for some time, and who was the author of the infamous Michel amendment cutting waste, fraud, and abuse in the old HEW by a billion dollars, I fully recognize the need for strengthening agency management. I also recognize that many times you have to force improvements on agency managers because they are often unwilling to admit error or change old practices.

GAO has found billions of dollars of waste over the years, but more often than not, once a finding goes to an agency, nothing happens. We simply

cannot put up with that kind of inaction any longer.

The Reagan administration is fully committed to dealing with this problem, and I am certain we will see positive results. It may be that this bill is not really needed in view of this commitment. I know that OMB has problems with a couple of provisions which it views as circumventing its authority.

I would share that concern if I thought GAO was going to act in an arbitrary manner. My experience in dealing with GAO over the years, however, has been that they seek to work generally in an harmonious fashion with the administrative agencies rather than in a confrontational manner.

I would fully expect, if this bill is enacted and GAO is given authority to establish standards for internal accounting and administrative controls, that GAO will work cooperatively with OMB in developing standards which both agencies can agree upon. That is certainly the intent of this Member in voting for the bill, and I am sure it is also true for the Government Operations Committee.

Mr. BROOKS. Mr. Speaker, I have no further requests for time.

Mr. HORTON. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. Simon). The question is on the motion offered by the gentleman from Texas (Mr. Brooks) that the House suspend the rules and pass the bill, H.R. 1526, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and to include extraneous material, on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

INSPECTOR GENERAL ACT
AMENDMENTS OF 1981

Mr. BROOKS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2098) to amend the Inspector General Act of 1978 to establish offices of inspector general in certain departments and agencies, and for other purposes, as amended.

The Clerk read as follows:

H.R. 2098

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Inspector General Act Amendments of 1981".

ESTABLISHMENT

SEC. 2. (a) Section 2(1) of the Inspector General Act of 1978 is amended—

(1) by inserting "the Department of Defense," immediately before "the Department of Education,";

(2) by inserting "the Department of Justice," immediately after "Interior,"; and

(3) by inserting "the Department of the Treasury, the agency for International Development," immediately after "Transportation,".

(b) Paragraph (1) of section 11 of the Inspector General Act of 1978 is amended—

(1) by inserting "Defense," immediately before "Education,"; and

(2) by striking out "or Transportation or the Administrator of" and inserting in lieu thereof "Transportation, or the Treasury, the Attorney General, or the Administrator of the Agency for International Development,".

(c) Paragraph (2) of section 11 of the Inspector General Act of 1978 is amended—

(1) by inserting "Defense (including the Departments of the Army, Navy, and Air Force)," immediately before "Education,";

(2) by inserting "Justice," immediately after "Interior,"; and

(3) by striking out "or Transportation or" and inserting in lieu thereof "Transportation, or the Treasury, or the Agency for International Development,".

TRANSFERS

SEC. 3. Section 9(a)(1) of the Inspector General Act of 1978 is amended by striking out "and" at the end of subparagraphs (L) and (M) and by inserting at the end thereof the following new subparagraphs:

"(N) of the Department of Defense, the offices of that department referred to as the 'Defense Contract Audit Agency', the 'Defense Audit Service', and the 'Office of Inspector General, Defense Logistics Agency', and that portion of the office referred to as the 'Defense Investigative Service' which has responsibility for the investigation of alleged criminal violations and program abuse;

"(O) of the Department of Justice, the offices of that department referred to as the 'Internal Audit Staff, Justice Management Division', the 'Evaluation Staff, Justice Management Division', the 'Office of Audit and Investigations, Office of Justice Assistance, Research, and Statistics', the 'Office of Professional Responsibility, Immigration and Naturalization Service', the 'Office of Field Inspections and Audit, Immigration and Naturalization Service', the 'Office of Internal Audit, United States Marshals Service', the 'Office of Internal Investigations, United States Marshals Service', the 'Program Review and Evaluation Section, Office of Financial Management, Bureau of Prisons', the 'Office of Inspections, Bureau of Prisons', and, from the Drug Enforcement Administration, that portion of the 'Office of Program Planning and Evaluation' which is engaged in program review activities, and that portion of the 'Office of Internal Security' which is engaged in auditing and inspection activities;

"(P) of the Department of the Treasury, the offices of that department referred to as the 'Office of Inspector General, Office of the Secretary', the 'Office of Audit, Office of the Secretary', the 'Office of Audit and Internal Affairs, Bureau of Engraving and Printing', the 'Office of Assistant Comptroller for Auditing, Bureau of Government Financial Operations', the 'Internal Audit

Staff, Bureau of the Mint', the 'Division of Internal Audit, Bureau of Public Debt', the 'Division of Inspections and Audits, Office of Comptroller of the Currency', the 'Internal Audit Staff, Federal Law Enforcement Training Center', that portion of the 'Office of Inspection, Secret Service', which is engaged in internal audit activities, that portion of the 'Office of Internal Affairs, Bureau of Alcohol, Tobacco and Firearms', which is engaged in audit, investigation, and program review activities, that portion of the 'Office of Management Integrity, Customs Service', which is engaged in audit, investigation, and program review activities; and

"(Q) of the Agency for International Development, the office of that agency referred to as the 'Office of Inspector General, Agency for International Development'; and".

SPECIAL PROVISIONS

SEC. 4. (a) Section 8 of the Inspector General Act of 1978 is amended to read as follows:

"SPECIAL PROVISIONS"

"SEC. 8. (a)(1) In addition to meeting the requirements of the first sentence of section 3(a) of this Act, no individual who is a member of the Armed Forces of the United States (whether in an active or reserve status) may be appointed to be the Inspector General of the Department of Defense.

"(2) The provisions of section 1385 of title 18, United States Code, shall not apply to audits and investigations conducted by, under the direction of, or at the request of the Inspector General of the Department of Defense to carry out the purposes of this Act.

"(b)(1) In addition to the other duties and responsibilities specified in this Act, the Inspector General of the Agency for International Development—

"(A) shall supervise, direct, and control all security activities relating to the programs and operations of that Agency, subject to the supervision of the Administrator of that Agency; and

"(B) to the extent requested by the Director of the United States International Development Cooperation Agency (after consultation with the Administrator of the Agency for International Development), shall supervise, direct, and control all audit, investigative, and security activities relating to programs and operations within the United States International Development Cooperation Agency.

"(2) In addition to the Assistant Inspectors General provided for in section 3(d) of this Act, the Inspector General of the Agency for International Development shall, in accordance with applicable laws and regulations governing the civil service, appoint an Assistant Inspector General for Security who shall have the responsibility for supervising the performance of security activities relating to programs and operations of the Agency for International Development.

"(3) The semiannual reports required to be submitted to the Administrator of the Agency for International Development pursuant to section 5(b) of this Act shall also be submitted to the Director of the United States International Development Cooperation Agency.

"(4) In addition to the officers and employees provided for in section 6(a)(6) of this Act, members of the Foreign Service may, at the request of the Inspector General of the Agency for International Development, be assigned as employees of the Inspector General. Members of the Foreign Service so assigned shall be responsible solely to the Inspector General, and the In-

spector General (or his or her designee) shall prepare the performance evaluation reports for such members.

"(5) In establishing and staffing field offices pursuant to section 6(c) of this Act, the Administrator of the Agency for International Development shall not be bound by overseas personnel ceilings established under the Monitoring Overseas Direct Employment policy.

"(6) The reference in section 7(a) of this Act to an employee of the establishment shall, with respect to the Inspector General of the Agency for International Development, be construed to include an employee of or under the United States International Development Cooperation Agency.

"(7) The Inspector General of the Agency for International Development shall be in addition to the officers provided for in section 624(a) of the Foreign Assistance Act of 1961.

"(8) As used in this Act, the term 'Agency for International Development' includes any successor agency primarily responsible for administering part I of the Foreign Assistance Act of 1961."

(b)(1) Section 624(g) of the Foreign Assistance Act of 1961 is repealed.

(2) Section 239(e) of such Act is amended by striking out "Auditor General" each of the 3 places it appears and inserting in lieu thereof "Inspector General".

PROTECTION OF CONFIDENTIAL INFORMATION

SEC. 5. Section 5 of the Inspector General Act of 1978 is amended by adding at the end thereof the following new subsection:

"(e)(1) Nothing in this section shall be construed to authorize the public disclosure by any individual of any information which is—

"(A) specifically prohibited from disclosure by any other provision of law; or

"(B) specifically required by Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs.

"(2) Nothing in this subsection or in any other provision of this Act shall be construed to authorize or permit the withholding of information from the Congress, or from any committee or subcommittee thereof."

CONFORMING AND TECHNICAL AMENDMENTS

SEC. 6. (a) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"Inspector General, Department of Defense.

"Inspector General, Department of Justice.

"Inspector General, Department of State.

"Inspector General, Department of the Treasury.

"Inspector General, Agency for International Development.

"Inspector General, Department of Commerce.

"Inspector General, Department of the Interior.

"Inspector General, Community Services Administration.

"Inspector General, Environmental Protection Agency.

"Inspector General, General Services Administration.

"Inspector General, National Aeronautics and Space Administration.

"Inspector General, Small Business Administration."

(b) Section 5316 of title 5, United States Code, is amended—

(1) by striking out the following:

"Auditor-General of the Agency for International Development,"; and

(2) by striking out the following: